

# TheDavisLibrary

RESOURCES FOR INVESTORS | VOLUME 7



## Rental Vacancy Rates in Newmarket

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## A PROSPEROUS AND GROWING LOCATION FOR INVESTMENT

With a total population of 84,000, Newmarket continues to outpace the province national figures in both average household income and population growth. Almost 80% of Newmarket residents own their own property.

A major employer and economic engine in downtown Newmarket is Southlake Regional Health Centre, located walking distance from The Davis. A university-affiliated teaching and research facility, Southlake currently has 3,600 employees, including 579 Physician and 947 students. Recently, the hospital released their 2019 - 2023 Strategic Plan, outlining goals and growth objectives for consistently high quality patient care.

## HOME OWNERSHIP RATES

	2016
Canada	67.8%
Ontario	69.7%
Toronto	66.5%
Newmarket	79.5%

## AVERAGE HHLID INCOME OVER \$100,000

Canada	6.4%
Newmarket	8.6%

## POPULATION GROWTH RATE

2001 - 2006:	Ontario 6.6%	Newmarket 12.9%
2006 - 2011:	Ontario 5.7%	Newmarket 7.6%

## DEMAND FOR RENTAL HOUSING ACROSS CANADA IS GROWING FASTER THAN SUPPLY

Demand for Rental Housing across Canada is growing faster than supply. According to CHMC this is due to a sharp rise in international migration, growth in seniors, better employment numbers for 15-29 year olds and the stress test.

## NEW RENTALS ARE IN HIGH DEMAND IN NEWMARKET

Newmarket is one of the fastest growing areas in the GTA's York Region and has the lowest proportion of rental housing in the GTA with vacancy rates hovering at about 1% for decades. The Newmarket rental market has historically remained tight due to higher home ownership rates vs. rental households.



## RENTAL VACANCY RATES

	2018	2017	2016	2015
Canada	2.4%	3.0%	3.7%	3.5%
Ontario	1.8%	1.6%	2.1%	2.4%
Toronto	1.2%	1.0%	1.3%	1.6%
York Region	1.7%	1.3%	1.5%	1.5%
Newmarket	2.2%	2.0%	—	—

A 10-Year Housing Plan was adopted in June 2014 entitled “Housing Solutions: A place for everyone.” It forecast that by 2031, the vacancy rate for rental housing would be 0% unless a/ new rental units were built, b/ older ones retained and c/ government funded units increase.



## **RENTAL PRICES REMAIN HIGH DUE TO LOW SUPPLY**

Currently, the average rental price for a 2-bedroom apartment in Toronto is \$1,467 and a condo is \$2,830. According to RentBoard.ca the average rental rate for a 2-bedroom apartment in Newmarket is \$1,495.

On May 1st, Condos.ca showed no condos for rent in Central Newmarket. Found on Gotttarent.com are three 1-bedroom units available at 212 Davis Drive offering condo-quality apartments and amenities priced at \$1,795 with a 2-bedroom at \$2,295. Just 9 basement, private home and older building studio to 3-bedroom apartments from \$875 to \$1,700 complete the total Newmarket rental market available as of May 2019.

## **RENTING IN NEWMARKET?**

The Davis Newmarket is a great opportunity for investors looking for high rents and little competition, unlike Toronto where new condos are coming online daily. Downtown Newmarket is preferred due to the easy access to the 404 for commuters, Viva Rapidway, and proximity to Southlake Regional Hospital, particularly important for hospital staff. New builds are rare and highly preferred, with their contemporary open concept floor plans and high-end finishes. With very few condos available to rent, investing in The Davis is a smart move.

Source: <https://www.yorkregion.com/news-story/9055406-national-vacancy-rate-drops-to-2-4-per-cent/>